

ABSTRACT

An auction methodology wherein the auction competition among the bidders is generated by allowing each bidder to bid for non-price bid parameters (e.g., lead time, labor rate, contract length, etc.) in addition to the price of the lot on auction. Such a multi-parameter bidding provides the buyer (i.e., the auction requester) with more diverse information when selecting the winning bidder. The buyer and each bidder participating in the electronic auction may receive a real-time feedback of the bidding activity including details on bids placed for price and non-price parameters, which allows each bidder to adjust or modify one or more of its own bids (for price and non-price bid parameters) to effectively compete in the auction. The bidding software nullifies the effect of each bidder's bids for the non-price parameters on that bidder's bid for the price parameter by multiplying the value of the bid for each non-price parameter by the number zero (0) and also locks the bid values initially received for the non-price parameters to avoid affecting their values when lot price is changed during bidding. Such zero-weighting and locking helps the buyer objectively determine the optimal bid for the lot on auction.